Text Book

on a

Simple System of Accounting

for

General Storekeepers

Institute of Chartered Accountants
of Saskatchewan

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TEXT BOOK

ON A

SIMPLE SYSTEM OF ACCOUNTING

FOR

GENERAL STOREKEEPERS

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LIBRARY
SASKATCHEWAN

TEXT AND FORMS PREPARED BY A SPECIAL COMMITTEE
OF THE

INSTITUTE OF CHARTERED ACCOUNTANTS
OF SASKATCHEWAN

APPROVED AND PUBLISHED BY

THE CANADIAN CREDIT MEN'S TRUST ASSOCIATION, LIMITED
REGINA, SASKATCHEWAN

JUNE, 1913

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REGINA, SASKATCHEWAN

JUNE, 1913

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PREFACE.

REGINA, June 9, 1913.

The system outlined in this TEXT BOOK has been designed by a Committee of the Institute of Chartered Accountants of Saskatchewan, at request of the Canadian Credit Men's Trust Association, Limited, who have in view the ultimate realization of an ideal condition of affairs in regard to the uniformity of Retailers' Balance Sheets, which can only be obtained through a uniformity in bookkeeping methods.

The point that the designers especially wish to emphasize is, that although it is only intended for small retail businesses where proprietors depend to a large extent upon themselves in the recording of their various transactions, the principles laid down are applicable to any retail business, and the system only needs expansion to make it fit the larger concerns.

Considerable time has been devoted to ensure:

1. That the system would be readily understood.
2. That it would give the results required by both the Retailer and the Credit Men.
3. That the initial expense of installing the system would be reasonable.

To ensure simplicity, so far as is possible, consistent with the principles of Accountancy, it has been found advisable to deviate a little from the orthodox way of treating some of the books, more especially with regard to the Bills Payable.

It is not expected that this system will be of service to those who are not prepared to devote some little time to giving it careful thought and study, but is for those who are determined to utilize *some* system which will show their profits or losses accurately and properly record their Assets and Liabilities.

To prove that the System is workable and will give the results required by the average Retailer, a partial set of transactions for one month have been drawn up, from which the entries into the books designed have been made. A study of these will enable the Retailer or his Bookkeeper to deal correctly with similar items.

CANADIAN CREDIT MEN'S TRUST ASSOCIATION, LIMITED, REGINA

A. E. Burton

President.

W. F. Edwards

Secretary.

UNIVERSITY
LIBRARY

TEXT BOOK

SIMPLE SYSTEM OF ACCOUNTING

GENERAL STOREKEEPERS

FORMS REQUIRED.

DESCRIPTION OF BOOKS WITH THEIR USES

FORM No. 1. COUNTER CHECKS.

FORM No. 2. SYNOPTIC.

4. Cash Columns.

[illegible]

5. Bank Columns.

Will show the Balance in the Bank, or Overdraft [illegible]

[illegible]

6. Interest and Exchange Columns.

Will show the total expenditure incurred for [illegible]

7. Bills Payable Column.

[illegible]

8. Merchandise Purchases Columns.

[illegible]

9. Discount Columns.

[illegible]

10. Merchandise Sales Columns.

[illegible]

11. Selling Expenses Columns.

[illegible]

a. [illegible]
b. Advertising
c. Sundries

12. General Expenses Columns.

[illegible]

a. [illegible]
b. [illegible]
c. [illegible]

FORM No. 3. BILLS PAYABLE BOOK.

FORM No. 4 a. CUSTOMERS' LEDGER.

FORM No. 4 b. PURCHASE LEDGER.

FORM No. 4 c. GENERAL LEDGER.

FORM No. 5. MONTHLY STATEMENTS.

DUPLICATE MONTHLY STATEMENTS.

FOLIO No. 6. RECAPITULATION SHEETS.

It is apparent that the difference between the totals of the Debit and the Credit Columns in the Synoptic for Customers' Ledger must absolutely

[illegible] Debits and Credits entered in the individual [illegible] Accounts.

[illegible] Controlling [illegible] Customers' Ledger Column [illegible] Synoptic [illegible] just what the [illegible] through the [illegible] from the Customers' Ledger [illegible]

TRANSACTIONS DEALT WITH IN THE FORMS.

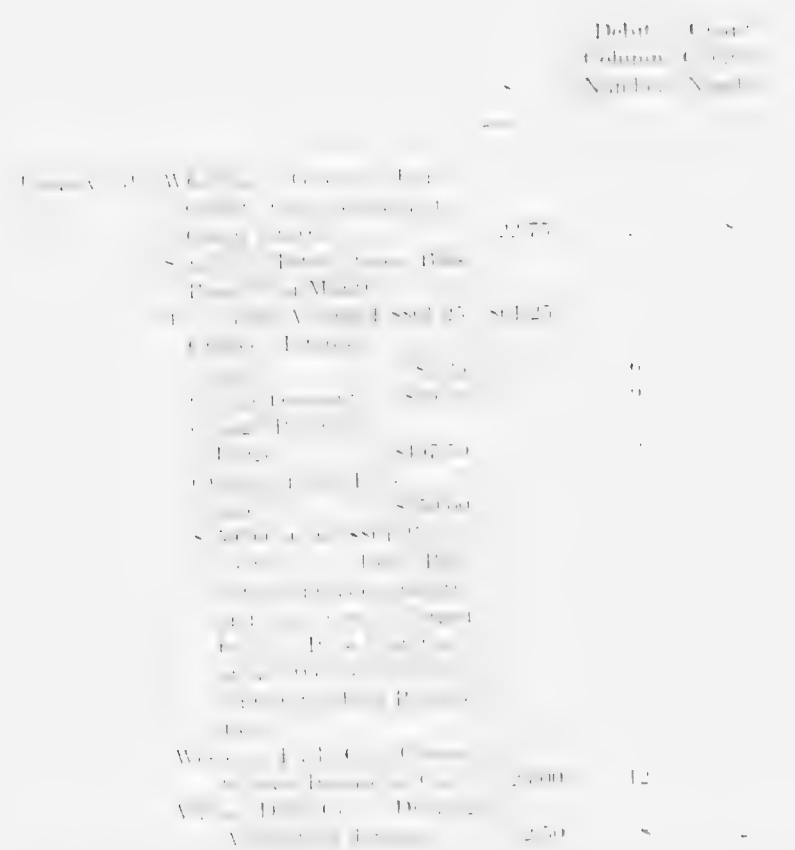
[illegible]

[illegible]

[illegible]		[illegible]	
[illegible]	$250.00	[illegible]	[illegible]
[illegible]	360.00	[illegible]	[illegible]
[illegible]	$500.00	[illegible]	12,810.00
[illegible]	10,000.00		
[illegible]	1,000.00		
[illegible]	[illegible]		
	[illegible]		[illegible]

The Cash in Office, Cash at Bank and Customers' Accounts will be found in the Synopsis under their respective headings. The Stock will be found under Merchandise Purchases. The Bills Payable is easily recognized, and the Accounts Payable will be found under the heading of Purchase Ledger. The Furniture and Fittings and Real Estate Accounts will be found in the General Ledger Debit Column with the Surplus shown in the Credit Column. This latter will represent the Proprietor's Capital or net worth.

			Debit Column Number	Credit Column Number
[illegible]	[illegible]	[illegible]		
		[illegible]	130 00	5 and 6
		[illegible]		
		[illegible]		
		[illegible]		
		[illegible]		
		[illegible]		
		[illegible]		
		[illegible]	25 25	6
		[illegible]		
		[illegible]	97 00	5
		[illegible]	40	4
		[illegible]		
		[illegible]		
		[illegible]	62 00	
		[illegible]		
		[illegible]		
		[illegible]		
		[illegible]		
		[illegible]	50 00	7
25		[illegible]		
		[illegible]		
		[illegible]	6 25	8
31		[illegible]		
		[illegible]	7 50	11 and 12
		[illegible]		
		[illegible]	37 50	11
		[illegible]		
		[illegible]	1 00	11
		[illegible]		
		[illegible]	16 75	1
		[illegible]		
		[illegible]	7 75	11
		[illegible]		
		[illegible]	3 00	12
		[illegible]		
		[illegible]		
		[illegible]	67 70	1
		[illegible]		
		[illegible]		
		[illegible]		
		[illegible]	6 20	8
		[illegible]		
		[illegible]		
		[illegible]	3 00	10



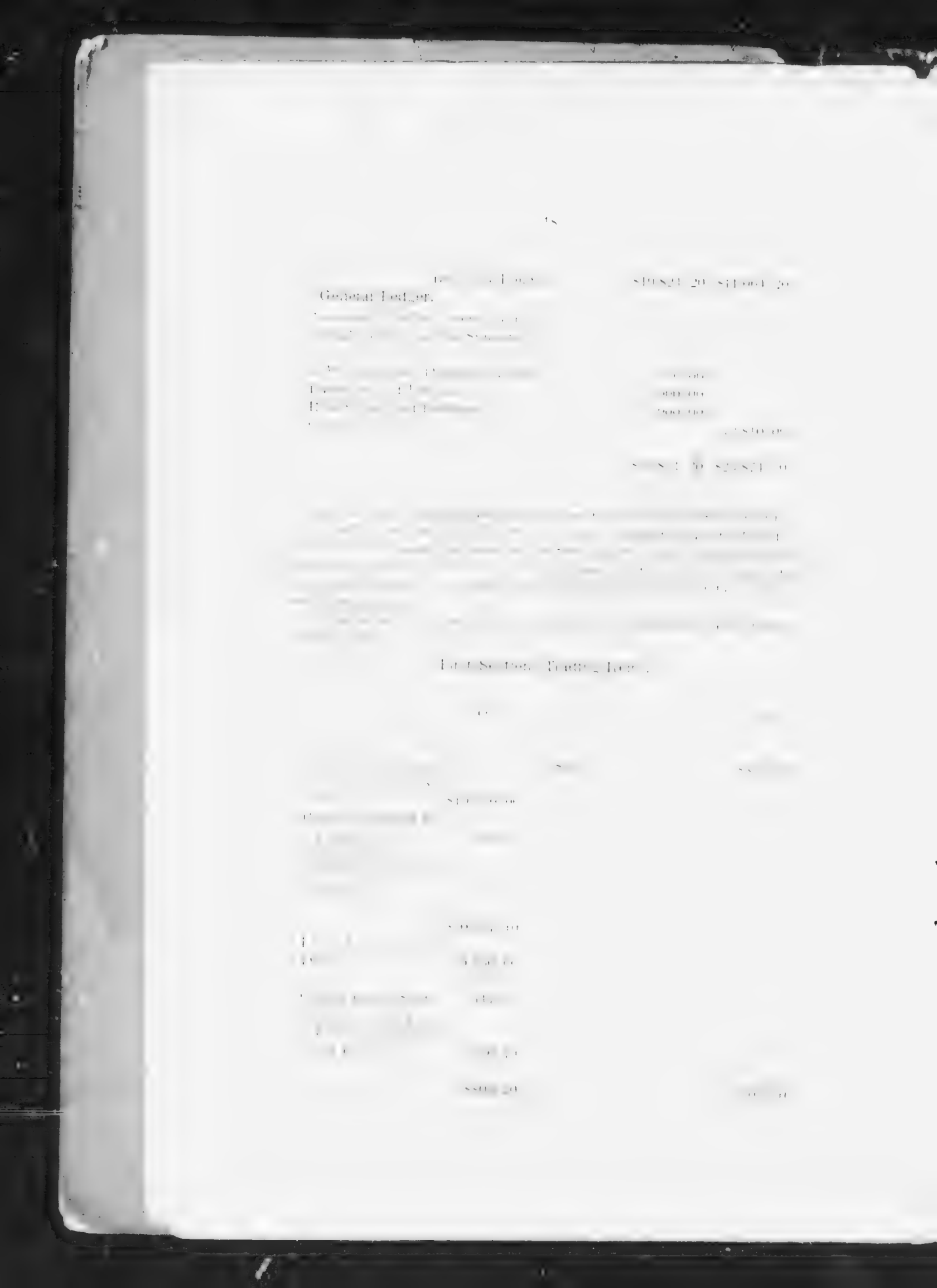
The Symantic Columns are to be totalled at the foot of each page. Before

The Preparation of Trading Account, Profit and Loss Account and Balance Sheet.

[illegible] the [illegible] Synopsis. The [illegible] can be clearly traced, and would be the same if taken from the General Ledger [illegible] had been posted [illegible] Account.

[illegible]

			Dr.	Cr.
Customers' Ledger			$8,950.60	
	Dr.	$9,123.76		
	Cr.	173.70		
Purchase Ledger				$2,999.77
	Dr.	720.27		
	Cr.		3,520.00	
Cash			42.37	
	Dr.	597.00		
	Cr.	554.65		
Bank			42.77	
	Dr.	901.50		
	Cr.	788.75		
Interest and Exchange			5.75	
Bills Payable				7,264.25
	Dr.	900.00		
	Cr.	8,164.25		
Merchandise, Purchases and Inventory at beginning			10,517.10	
	Dr.	10,529.85		
	Cr.	22.75		
Discounts			10.50	
Merchandise Sales				89.20
	Dr.	3.00		
	Cr.	806.20		
Wages			620.00	
Advertising			4.00	
Sundries			7.75	
Building Expense, Coal			23.00	
Office Expense			33.00	
Salaries		$50.00		
Stamps		3.00		
Carried Forward			$19,824.20	$11,064.20



Several Sections - Profit and Loss.

Third Section Balance Sheet

[illegible]	[illegible]	[illegible]		[illegible]
[illegible]	[illegible]			[illegible]
[illegible]	[illegible]			[illegible]
[illegible]	[illegible]			
[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]	[illegible]		[illegible]	
[illegible]	[illegible]	[illegible]	[illegible]	
				[illegible]
	[illegible]			[illegible]

Bank Deposits.

Drafts and Notes Payable

Purchase of Merchandise.

TELEPHONE 1241

GIDEON HICKS PIANO CO.

PIANOS, ORGANS AND VICTOR VICTROLAS
AND RECORDS

ACCOUNTING SYSTEMS

FOR MERCHANTS

WESTERN GENERAL STORE

DOYLE [illegible] JANY 23 1913

SOLD TO JOHN DOE
DOYLE

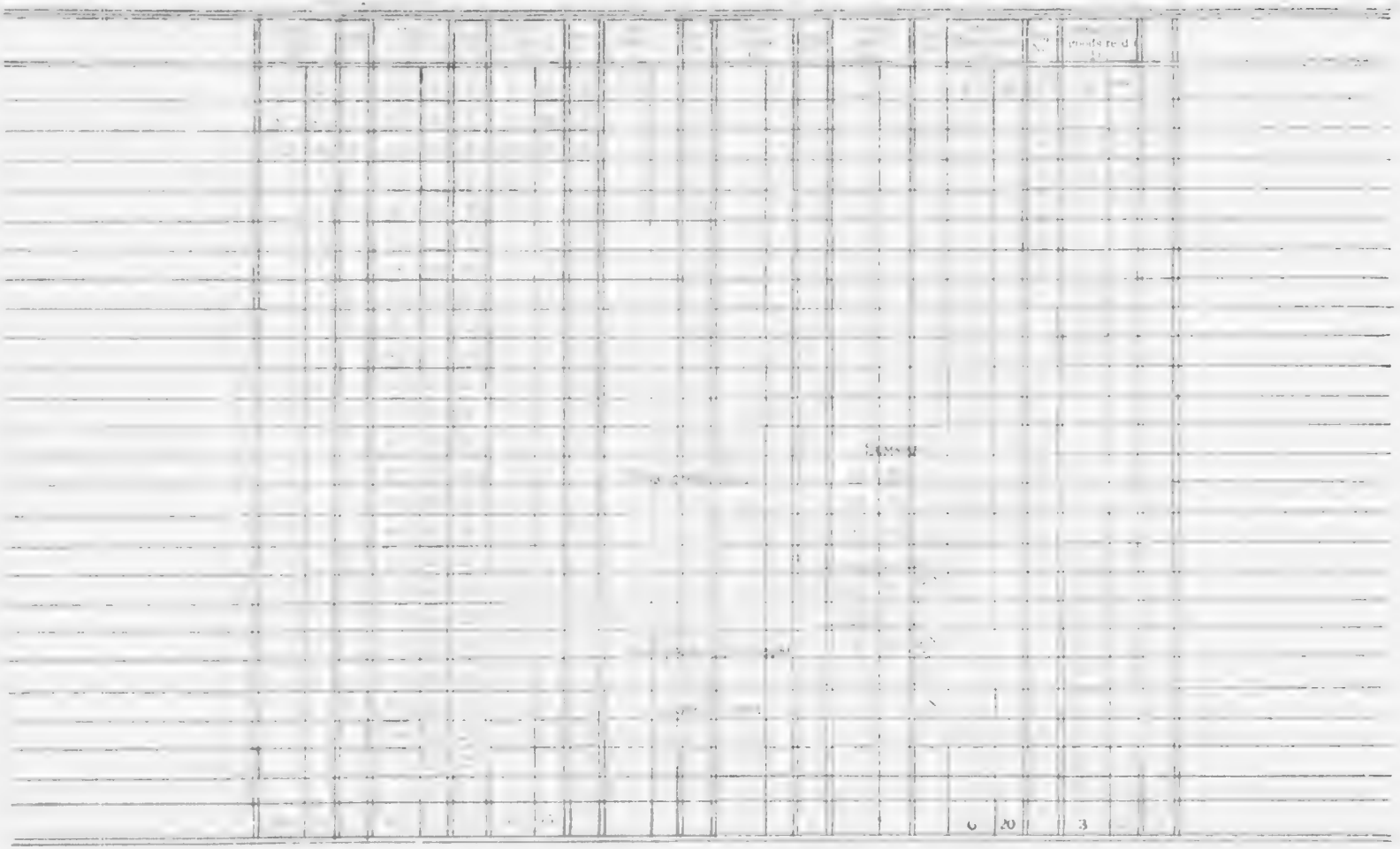
Account No.

Name

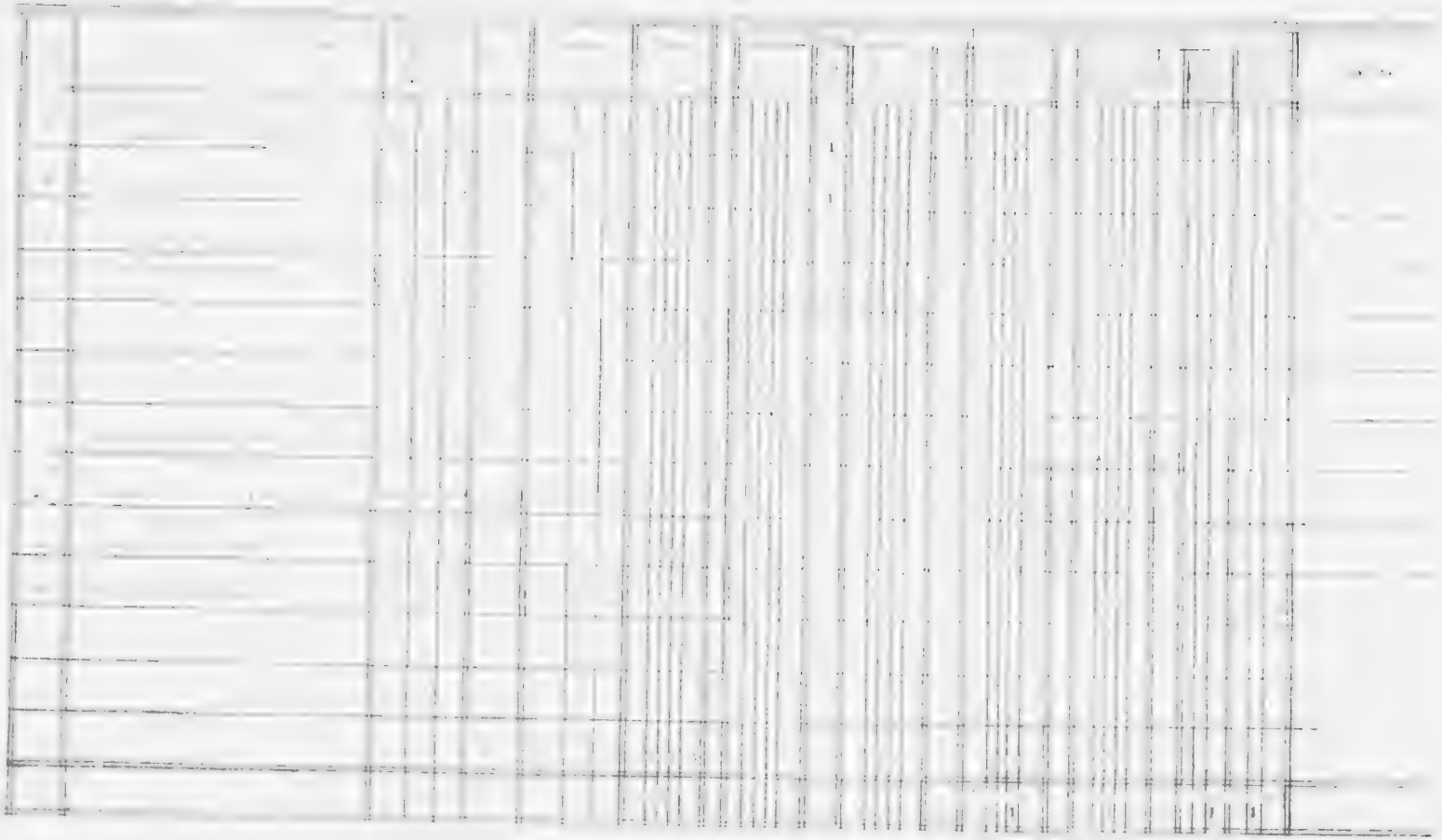
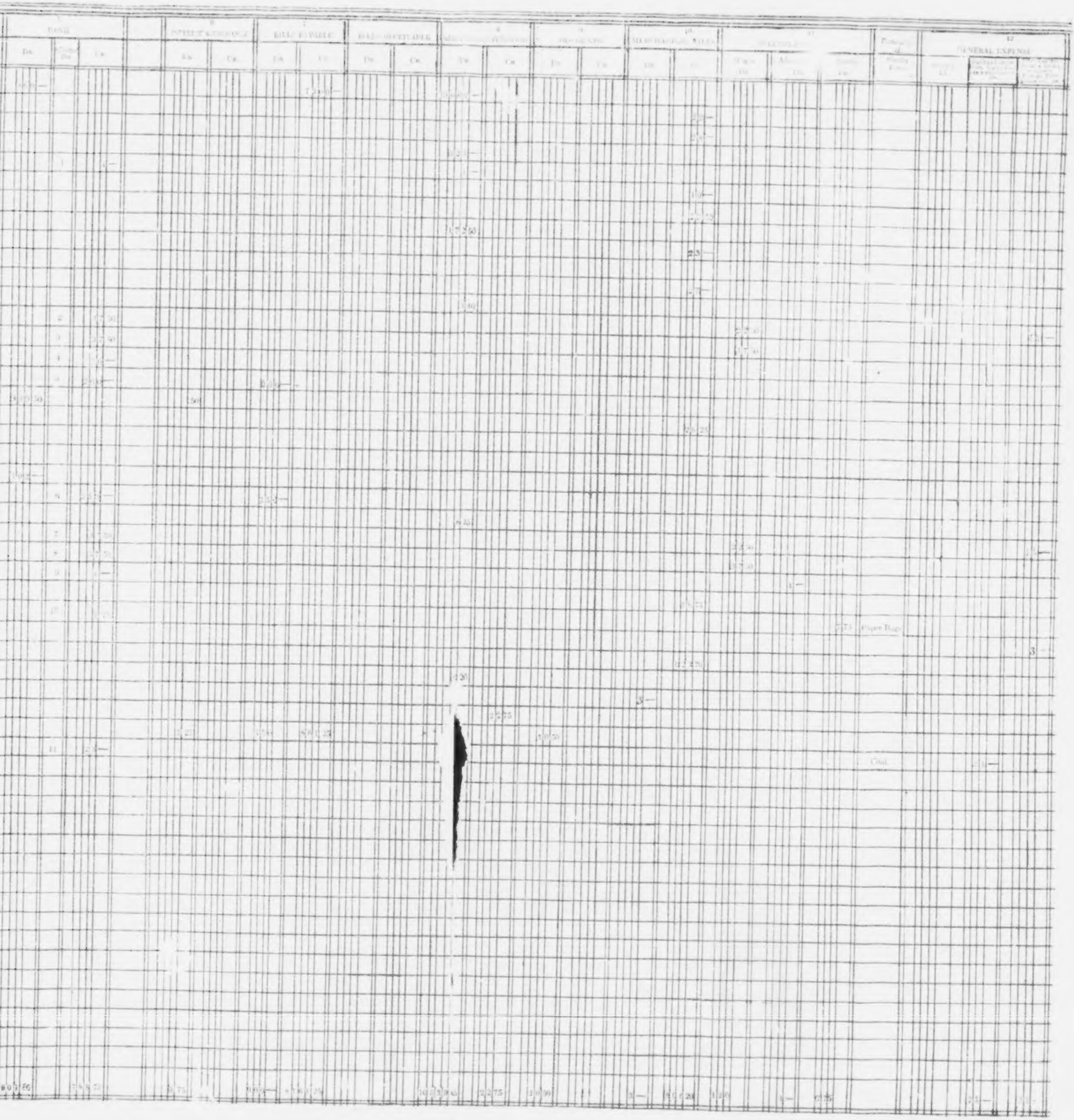
Address

Date	Particulars	P.R.	Debits	Credits	✓	Balance	CK

RECAPITULATION OF CREDIT SALES, PRODUCE TAKEN IN EXCHANGE, AND GOODS RETURNED



Bills Payable



SYNOPTIC